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KWANGTUNG COAL AND IRON SITUATION

Coal

Kwangtung's mineral resources are small, but if her coal and iron reserves are developed and profitably used, the province may yet be self sufficient.

China's largest resources are in coal, but the deposits are mostly in the northern provinces, with little in the central and southern regions. Kwangtung has coal reserves of perhaps 300 million to 500 million tons, less than one fifth of one percent of the reserves of China. Estimates are tabled below:

	1913 Drake	1925 Hsieh Chia-yung	1929	1934 Geol Survey Office
Entire country (million tons)	696,613	217,623	265,455	248,287
Kwangtung	1,009	600	300	421
Kwangtung percent	0.1	0.23	0.11	0.17

Kwangtung's coal deposits are scattered along the Pei Chiang in the north, the Han Chiang in the east, and along the coast in the west. Coal in the Han valley centers around Mei Hsien. It is poor in quantity and quality, suitable only for local use. The most abundant deposits are in the Pei valley, in Ch'u-chiang, Lo-ch'ang, Jen-hua, Shih-hsing, Nan-hsiung, and Ju-yuan hsiens, south of the Ta-yu mountain range, adjoining Hunan and Kiangsi. The richest mines, Kou-ya-tung, Pa-tzu-ling, and Pai-mao-chou in Ju-yuan Hsien, have the largest output. They are also the most promising. These three mines are between Ju-yuan and I-chang, stretching over 13 miles with seams 20 feet thick. Reserves are thought to be 50 million tons, of high quality suitable for coke or factory and railway fuel. The mines were opened in 1947 by the official Nan-ling Coal Company. At the end of 1948 the Kou-ya-tung Mine was producing 7,500 tons per month and the Pa-tzu-ling 1,800.

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Equipment at the Kou-ya-tung is the best, with a power plant, coal cars, and modern ventilators. Transportation is furnished by a spur of the Canton-Hankow Railway. The other two mines have poorer equipment and transport is more difficult. However, since the building of the above-named spur, the transportation problem can be solved by means of connecting lines.

The output of coal in Kwangtung is small because the mines are not developed. Before the war, imported coal was the main source, amounting to 581,013 tons in 1933. Of this total, 202,777 was from K'ai-p'ing, 131,501 from India, 96,645 from Indonesia, 69,855 from Kaiphong, and the balance from other parts of China. The amount imported from abroad has decreased greatly since the war, but that brought in from other provinces still holds first place. Between November 1947 and May 1948, 96,813 tons were brought in.

The annual output of coal in northern Kwangtung has been estimated at 25,400 tons. In 1949 it is expected to reach 130,000. If the increase is maintained, in one or 2 years Kwangtung should be self-sufficient in coal. The prewar demand in Kwangtung was 500,000 to 600,000. After the war consumption slackened, but now with the needs for reconstruction, consumption may exceed that of prewar times. Therefore, increasing output at the other two mines and the improvement of transport facilities are problems that must be faced after liberation.

Iron

In the geographical distribution of iron in China, the northern provinces have the largest share. Kwangtung reserves are very small. According to the report of the Geological Survey Office of the former Ministry of Industry, iron reserves in the entire nation total 1,119,266,000 tons, 4 million of which are in Kwangtung. Most of the province's resources are found in Yang-t'ang in Lien-chiang Hsien. By other more recent estimates, China's iron reserves exceed 2,400,000,000 tons, while Kwangtung's are more than ten million. These are scattered in Ying-teh, Yun-fou, Tzu-chin, and Lo-ch'ang. The estimates await confirmation, but it is certain that Kwangtung's reserves are very limited.

While this scarcity is true of the Kwangtung mainland, there are abundant iron resources in Hai-nan Island. These are found mostly in Mu-wei ts'un of Wen-ch'ang Hsien, Hsia-shui ts'un of Ch'iung-tung, Ho-lo, Ch'ang-ch'iao of Wan-ning, Nan pao-kang and Ch'i-kung-ling of Ling-shui, Kao-shan-ling of Lin-kao, Chia-hsieh, Nan-niu-ling, Niu-fu-ling of Ting-an, and Shih-pi-ling of Ch'eng-mai. Iron is also found throughout Yai Hsien.

The richest mines are those of Shih-lu and T'ien-tu. Shih-lu has two mine areas, one 600 meters long, 200 wide, 50 deep, with 25 million tons, and the other 500 meters square, 100 deep, with 100 million tons. This large mine has excellent equipment, and produces hematite ore containing more than 60 percent iron.

The T'ien-tu Mine has reserves of 7,500,000 tons of quality similar to the above-named. The mine has a light railway and good harbor facilities. There are also machine shops, foundry, and repair shops, a 900-horsepower electric plant, and a 5-ton smelter.

During the occupation, the Japanese worked both deposits vigorously, extracting 600,000 tons of ore at Shih-lu. They planned to raise the yearly output to 3 million tons but because of insufficient equipment, actual production fell far below this figure.

Prewar production in Kwangtung was about 10,000 tons per year, but with the outbreak of war, output increased rapidly, although it was used only as raw material for shipment to Japan.

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Since liberation, with reconstruction urgent and little iron and steel industry, creating a self-sufficient South China has been a serious problem.

The Reserves of coal are in north Kwangtung, but iron deposits are in Hainan to the south, involving transport over a distance of land and sea. This added cost is an obstacle to the iron and steel industry. The question arises as to which is to be transported to the other. Morcover, alloys, such as manganese, are needed for special types of steels. The continuous supply of these alloys poses another problem. Markets, as well as sources of materials, must be considered. In this industry, the weight of coal bulks larger than metallic ore; for this reason and because markets and defense must be taken into account, Hainan is not suitable as a center. Kuang-chou or a point near the coal mines is better. Kuang-chou has the advantage of nearness to markets and ease of transport; north Kwangtung meets better the conditions of materials and defense.

On the second question, of alloys, a certain amount of manganese is found in Kwangtung. In 1929, in the vicinity of Ch'in Hsien, Fang-ch'eng and Lo-ting 10,200 tons were produced; in 1930, 19,200; in 1931, 8,200. Production could be increased by modern methods. Manganese is also found in nearby provinces. With more development, the supply would be more than enough.

As to wolfram, Kwangtung, Hunan, and Kiangsi are China's three big producing provinces. In 1929, Kwangtung produced 3,582 tons; in 1930, 2,433. in 1931, 2,500 tons. It is widely found in such hsiens as Wen-yuan, Lo-ch'ang, Ts-ung-hua, Chung-shan, Tung-kuan, Ho-yuan, Hui-yang, Chieh-yang, Wu-hua, En-p'ing, Tzu-chin, Hai-feng, and Shih-hsing. Production of this mineral could be increased, but other alloys have to be imported. Materials such as fire-clay and fluxes can be obtained in China, which is a favoring factor.

The mainland part of Kwangtung will be liberated in the near future. This however only solves the problem of releasing the industrial power of the province. Many problems of know-how and procedure will still remain. It is important that Hainan be liberated as soon as possible in order that all the factors may be coordinated as a unit.

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